

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

Good afternoon. My name is Maureen Kahn, and I serve as President and CEO of Blessing Health System. I appear before you in strong opposition to this CON application. It is a position shared unanimously by our Board of Trustees and senior leadership team.

Our mission at Blessing Health is simple, yet profound: to improve the health of the communities we serve. Blessing takes this mission to heart each day, caring for those in need, regardless of how small or large the need or the patient's ability to pay.

We oppose this proposed surgery center because we believe it is wrong for our community, our health care, and our local and regional economy.

Quincy Medical Group has proposed a stand-alone surgical center in the former Bergner's location at the Quincy Mall. While we currently work with QMG to provide surgical services at our hospital and the Blessing surgery center, QMG has decided instead to partner with UnityPoint Health for this proposed center, promising to lower customers' costs and help revitalize the Mall.

QMG tried this stand-alone surgical center concept before, and it failed. Blessing stepped in to partner with QMG to purchase the center, and has successfully provided thousands of surgeries since we took over in 2006, at increasingly affordable rates. Why would we duplicate these services in another facility, run by a group that tried the same concept and failed before, when it's unnecessary and so harmful to local health care?

Revenues from the Blessing surgery center provide critical resources for the entire Blessing system and the greater Quincy community. If this CON is granted, we estimate a loss of \$25 - \$41 million a year in revenue – or 75 percent of our total outpatient surgery revenues – and a loss of about 400 jobs in our system. These are very real, very painful effects, and will mean real losses of good-paying jobs and regional economic activity. Any new activity by the proposed surgical center will not come close to replacing this lost revenue, which will only multiply over time.

So much of the care Blessing provides to those in need comes at a great cost to the organization. We receive less than 11 cents on the dollar from the state for every Medicaid patient we see. We provide more than \$65 million in community benefit every year – everything from forgiving medical debt from those unable to pay it, to supporting critical educational programs for future medical practitioners who will care for us for generations to come.

Most troubling, this surgical center threatens core safety-net healthcare services that are not available elsewhere in the area. If QMG/UnityPoint opens this center, Blessing will no longer be able to provide the same level of mental health, behavioral health, and geriatric care services that many people depend on here. If those services go away, our patients will suffer, traveling further for care or simply not receiving it.

As this Review Board considers the QMG application, please keep in mind the history of ambulatory surgery in Quincy:

- In 2000, QMG applied for and received a CON for ambulatory surgery. At that time, there was no preexisting ASC in Quincy, and Blessing did not oppose the CON.
- QMG constructed and operated its surgery center until 2006, when Blessing Hospital acquired the Center from QMG for \$13 million. QMG proved itself unable to successfully own the Center, found itself in serious financial

trouble, and Blessing stepped up. The Center remains located in QMG's building, and Blessing worked out a management agreement so that QMG could continue to run the Center.

- Blessing Hospital pays QMG rent for the space, and a management fee.
- The exiting ASTC is located in the Hampshire Street building of QMG, on the 3<sup>rd</sup> Floor. It consists of three ORs, three procedure rooms, and the appropriate prep and recovery spaces.
- The Medical Director and Director of the program are employees of QMG/UP.
- Current utilization of the ORs at the ASTC at Hampshire is 82% using the Illinois Health Facilities and Services Review Board's criteria; however, based on actual hours of operation, the operational utilization is 52%.
- The ASTC now proposed by QMG/UP is a redirection of virtually all the outpatient surgeries currently provided at Blessing Hospital and the existing ASTC, to an unneeded and duplicative facility owned by QMG/UnityPoint. As you will no doubt hear in detail today, the project will have a devastating impact on Blessing Hospital and cause harm to the region's safety net services.

As the Review Board considers this CON application, I ask that it take into account the devastating impacts on:

- critical safety net services; and
- educational programs for physicians, nurses, radiology techs, laboratory techs, respiratory techs, and EMS providers.

As the Review Board considers this CON application, I ask that it weigh the self-acknowledged shortcomings of the applicant, and hold it appropriately accountable for misstatements to this Board:

- Much of the expressed rationale for this CON is purported shortcomings in the operation of the existing surgery center – relating to surgery hours, the availability of urology and ENT equipment, the existing medical records system, and the coordination of care – all presently the responsibility of QMG as manager. Given the concerns first raised by QMG in its CON application, QMG has been formally served with a notice to cure. If they believe the existing center needs improvement, they have a contractual obligation to make positive changes. To use their own shortcomings as justification for being awarded another ASC is rich in irony, and just plain wrong.
- The application contains misrepresentations that Blessing rejected a proposed joint venture agreement with QMG, and that it “did not respond positively” to QMG's request to changing the current arrangement. These representations are completely false. So blatantly false that QMG was compelled to retract its misstatements.

As the Review Board considers this CON application, I ask that it carefully consider the impacts of losing 400 jobs within the Blessing system.

We have a long history of working with QMG and would be glad to pursue a stronger partnership to improve on our strong surgical care in this region. We have already cut our surgical costs for 2019 by 30 percent, matching and exceeding the proposed short-term savings, for only a fraction of planned services, that QMG touts for its center.

We respectfully urge that the Review Board deny this CON, which would duplicate services, cost local jobs, and undermine health care for thousands of people in need.

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My name is Betty Kasparie. As one of Blessing Hospital's longest-serving senior employees, I have worked with the Illinois CON process for 40 years. I have presented before this Board on numerous occasions, in furtherance of the health care needs of the Quincy area. *This is the first time either Blessing or I have opposed a project.*

The applicant proposes to establish an outpatient center *offering ambulatory surgery with cardiac catheterization and CT scanning*, just three miles from the current ASTC in Quincy, and take 75% of the current and the next two years growth volume to the proposed center. This project:

- represents a duplication of health care facilities;
- has a negative impact on safety net services in the community; and
- does not contain the cost of health care.

The Review Board's regulations recognize only five circumstances that would justify the establishment of a new ASTC in the area, and QMG's project *does not meet any of the five criteria*. These criteria are:

1. There are no other ASTCs in the area. This criteria is **not met** because there *is* an existing ASTC. In fact it is located in the applicant's own medical office building.
2. The existing ASTC and hospital outpatient surgery services are at or above the State's utilization standards. Again, this criteria is **not met** because the outpatient surgery services at the existing facilities are not all operating at target utilization levels.
3. The proposed ASTC offers new services not currently available in the area. Yet again, this criteria is **not met** because surgical services proposed by QMG are *currently being performed* at Blessing Hospital and the existing ASTC.
4. The existing facilities have restrictive admission policies. This criteria is **not met** because none of the existing facilities have restrictive admission policies.
5. The proposed project is a cooperative venture sponsored by an existing area hospital. This criteria is **not met** because this QMG project is not sponsored by the only existing area hospital, which is Blessing Hospital. The first we ever heard about this matter was the day it was filed.

The QMG project does not meet even one of five justifications listed above for the approval of a new ASTC. Moreover, the applicant is unable to describe how the proposed project will address indicators of need as required in Section 1110.235. By any straightforward application of the Board's requirements, clearly this CON should be *denied*.

I know other witnesses today will speak in greater detail about the legal shortcomings of this CON application.

Thank you for your consideration.

## Public Comment in Opposition To Proposed Quincy Medical Group Surgery Center

*introducing*  
Hello. My name is Julie Brink and I serve as the Chairman of the Board for Blessing Hospital and as a Trustee for Blessing Corporate Services.

The Blessing Health System has been on a journey of reducing costs --- including freezing the pension plan for all employees, labor productivity standards, supply cost savings, and improved coding to pass those cost savings onto patients in the form of lower costs. Examples of lowering costs include:

- 1) Lower-cost lab services to patients via pass-through billing.
- 2) A 30% reduction in surgical procedure pricing including colonoscopies, starting January 1, 2019.
- 3) Free self-administered drugs to Medicare Observation patients.
- 4) For the last 6 years we have been increasing our discounts to our commercial insurers – totaling an additional 7.8% off of gross charges.

Blessing is committed to continued pricing declines, with future reductions planned for our next fiscal year once our new outpatient center is opened at 48<sup>th</sup> and Maine.

*a member of a family owned*  
As a board member and ~~owner of a concrete~~ construction company and a trucking company with over 100 employees, I support Blessing's efforts to reduce costs while maintaining the safety net services for the community. QMG's duplication of over \$19,000,000 in capital costs without new volumes will not lower the healthcare costs for the community. Labor costs alone will be duplicated by over \$1,800,000 because both Blessing and QMG will need to have minimum staffing requirements.

I am concerned about the financial impact of QMG's bid to open a second surgery center in our community. The \$25 to \$41M reduction to revenues of Blessing means a potential loss of more than 400 jobs to this organization and its surrounding community.

I respectfully ask that the CON application be denied.

## **AFTERNOON SESSION: REBUTTAL OF QMG TESTIMONY THEMES**

### **1. Management of the current ASC**

During the first session, a board member of Quincy Medical Group indicated that a second, for-profit surgery center was needed in Quincy for, so-called “accessibility” reasons. Specifically, he suggested that the current ASC, in his words, “drastically limits surgery hours,” something he claims makes attracting new physicians to the area difficult.

This same QMG board member also read a statement that suggested this second, for-profit surgery center was needed in Quincy because the current ASC does not have certain urology equipment.

These areas – hours of operation and needed equipment – are the responsibility of the current ACS manager to recommend. There is an established procedure in the management agreement that outlines how QMG is to bring such matters to Blessing as owner. There has never been an operational or equipment-related request by QMG (as manager) that has been denied by Blessing (as owner). Never once, prior to the filing of this CON application, has QMG ever requested longer hours or the acquisition of urology equipment. Pursuant to the management agreement under which QMG runs the current ASC, Blessing served on QMG a “notice to cure” these defaults. These purported “shortcomings” have been created, and allowed to persist, by QMG. This rationale for granting the CON should be thoroughly disregarded, because there is no problem that is not presently being cured.

The purported benefit of having an “integrated medical record system” with this second, for-profit surgery center is again pointing to a problem of QMG’s own creation. As Dr. Siddiqui, Chief Health Information Officer of Blessing Health System, so eloquently explained: for years, Blessing has suggested various ways to integrate the medical record system of the hospital and QMG, with QMG’s Iowa-based partner (UnityPoint) declining every such solution. QMG should not be awarded a CON on the basis of its failures to identify and communicate issues, and willfully fail to solve practical IT issues.

Moreover, the suggestion that QMG as manager only schedules physicians is patently incorrect. They are responsible for the professional management of the current ASC, and there are well-articulated procedures for communicating with Blessing as owner to make any necessary capital expenditures or undertake any other needed actions. QMG has not alerted Blessing, prior to the CON application being filed, of any issues to resolve – in fact, they still haven't made any such recommendations.

**2. New taxes generated by this proposed second surgery center in Quincy:**

Also during the first session, a representative of Quincy Medical Group suggested that this second, for-profit surgery center would bring benefits to the Quincy area in the form of new property and sales taxes. Of course, such new taxes would pale in comparison to the taxes associated with the loss of 400 area jobs at Blessing.

**3. Lowering of ASC facility fees:**

QMG representatives repeatedly talked about the proposed new surgery center representing an opportunity to lower facility fees, but they entirely neglected to acknowledge that these lower fees come at the direct cost to Blessing Hospital's ability to cross-subsidize emergency services, behavior health and safety net services. These are not cost savings; they are cost shifting as Brad Billings stated.

**4. Failure to account for impacts on critical safety net services and local jobs:**

The Planning Act has an important purpose: the protection of critical safety net services. Never once did QMG acknowledge or address the negative impacts of its proposal on such services in Quincy. They did acknowledge that a second ASC in this area will dramatically cannibalize the patient volumes now served at the current Quincy surgery center – QMG only offers a suggestion, based on nothing other than asserting it, that volumes will somehow grow in this region in two years.

**5. UnityPoint is a 40% owner:**

(Read from application).

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Good afternoon, my name is Dr. Brenda Beshears. I am the President and CEO of the Blessing-Rieman College of Nursing & Health Sciences. I am here today to oppose this CON application.

Community resources are not endless – that is why collaboration through a sharing of those resources is critical. It's something that the Blessing system does every day.

If the Blessing Health System loses millions of dollars in revenue due to an unnecessary replication of services, it will have a dramatic effect...not only on the bottom line, but also on the education of health care providers in our region. I know this topic well, being centrally involved in the education of health care providers leading to workforce development here in Quincy.

Financial support of approximately \$1 million per year from Blessing enables graduates from our College of Nursing & Health Sciences to have <sup>very low</sup> ~~an average of only \$6890~~ debt after four years of private education. Sixty-five percent of our graduates stay in the Quincy region – not just at Blessing Hospital, but also at clinics such as QMG, community health agencies, as well as other hospitals. Our student population is a highly responsible group – for example, they collectively have a loan default rate of just 4.5%, which is one of the lowest in the nation.

To ensure that the greater Quincy community has the health care providers needed now and in the future, we have increased the number of students we educate, developed programs to meet the specific needs of our community, and ensured that we do not replicate services provided at our community college. This has only been possible through the financial support from the Blessing.

Rather than compete, we work together to share resources and to increase our work force. An example of this has been Blessing's assistance to John Wood Community College to ensure that its Associate degree in Nursing has the needed state-of-the-art simulation lab facilities. Blessing collaborates to share costs for the Associate degree in Nursing program, and for the Surgical Tech program when funding for these programs was being cut at the state level.

Our College developed a Master's program in Nursing to address the nursing faculty shortage. We developed an Associate degree in Respiratory Care when the only program in the region closed. And most recently, we launched an Associate Degree in Health Information Management to meet the needs of insurance companies in our community.

All of these programs are heavily subsidized by the Blessing. Without this funding, programs would be cut, leading to a shortage of health care providers in our community.

Pulling \$25 - \$41 million out of Blessing for a duplicative surgery center is unwise, and will hurt Quincy. I urge that this CON application be denied.

*Brenda Beshears*

January 22, 2019

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities and Services Review Board  
525 West Jefferson, 2<sup>nd</sup> Floor  
Springfield, IL 62761

**Re: Opposition to CON 18-042, Quincy Medical Group Surgery Center in Quincy, Illinois**

Dear Ms. Avery:

My name is Salvador Sanchez, MD and I am the Medical Director for Behavioral Health at the Blessing Health System. I am writing to you in opposition of CON18042 – Quincy Medical Group Surgery Center in Quincy, IL.

It is my professional opinion that an additional outpatient surgery center would be detrimental to our community and a duplication of services. Quincy Medical Group is requesting to duplicate profitable services that exist in the Blessing Health System today. These services and the revenue they generate, support key services such as mental health. Blessing is the major supporter of both inpatient and outpatient Behavioral Health Services in our region. Being the only Behavioral Health Center 100 miles around, providing services for all counties in the states of Illinois, Missouri, and Iowa's, Behavioral Health currently sees an average of 165 patients per month. Without these services, due to lack of funding, the patients whom present with critical mental health needs would not be able to be served locally, and would have to be transferred to other facilities, hours away. The types of patients we currently provide services to, are a severely underserved and underprivileged population, including low income and the indigent population. Unfortunately, Quincy Medical Group has failed to take this into consideration in their proposal.

I am respectfully requesting your decision to deny CON18042 application for Quincy Medical Group to build a Surgery Center in Quincy, Illinois. Thank you for your consideration.

Sincerely

Salvador Sanchez, M.D.  
Medical Director, Behavior Health  
Blessing Health System

COPY



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My name is Emily Hendrickson, and I am one of the Associate Chief Nursing Officer at Blessing Hospital. I'm a lifelong member of the Adams County community, and I have worked for the health system since 2000. I also sit on the Adams County Ambulance Board. With each of these roles in mind, I ask that you deny this certificate of need.

In my current role, I work closely with the leadership, physicians and staff of the Emergency Room. Our Emergency Department is a central hub of safety net resources for our entire region. As the building of this new surgery center will directly impact the revenue of our organization, these safety net services are at risk for lack of funding.

We are a certified stroke and chest pain center. We are the front door for 70% of our mental health patient volumes. We remain certified to care for pediatric emergencies. We have an entire regional heart network. We are currently training many emergency room and pediatric nurses to become certified Sexual Assault Nurse Examiners, to support the Illinois Attorney General's program to provide a high-level of care for victims of sexual abuse.

*Another*

~~The last~~ important service we provide is the certification to care for traumas occurring in Illinois, Iowa, and Missouri. When your family needs these emergency trauma services, like 448 families in 2017 and 348 families in 2018 did, Blessing Hospital's trauma program was right here. 98% of our traumas have survived their emergency room stay. This is a high quality program that has required a strong collaboration with Quincy Medical Group physicians. The Medical Director of this program is a Quincy Medical Group physician, who receives a salary to oversee the program. ~~Blessing spends over \$1.2 million a year to provide this service to our region.~~

*No piece of equipment or process change has ever been denied for*  
Each of the major safety net programs have little to no funding, yet we are required to have resources 24/7 to meet *and high costs* *program* their needs.

As a previous Cardiac Cath Lab Director, I can assure you that duplication of cardiac services is going to increase costs to our community.

As a member of the Adams County Ambulance Board, I am concerned that QMG has engaged no communication with the Adams County Ambulance team. With an offsite Cardiac Cath lab, what happens with emergencies that need to be transferred to the hospital? *This will place added stress to an already burdened EMS system*

The unnecessary duplication of services that is requested in this CON is a net negative for Quincy, especially critical safety net services. I ask you to oppose this certificate of need.

QMG's Cath lab is a diagnostic center. Because of the lack of an integrated patient medical record, EMERGENCIES LEAVING the QMG Cardiac Cath pose great Risk to our patients. As the saying goes, time is muscle and every minute it takes to address an EMERGENCY INCREASES the Risk of pt. mortality.

**Public Comment in Opposition  
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My name is JoEllen Randall. I am Vice President, Human Resources for Blessing Health System. One of my core HR functions is workforce planning – including recruitment and retention to assure the appropriate level of human capital required to provide quality care.

I adamantly oppose CON 18-042. It would dramatically conflict with the already challenging tasks of recruitment and retention of qualified personnel in specialty areas. We already have a greater imbalance between the number of licensed positions our system at Blessing requires for these services– our demand – and the number of qualified applicants to meet that demand than at any time in my 40-plus years of health care experience. We are managing today but this CON will only make a bad situation worse.

By duplicating services in this market region, the employees needed to provide the service must increase.

The experience and qualifications needed in a Cardiac Cath Lab make these positions even more difficult to recruit and retain. Cath labs are staffed with experienced critical care RNs and radiology and cath lab technicians. Each procedure requires at least 1 RN and 1 Radiology Tech, or a cath lab technician. Blessing currently has 2 open positions for its cath lab: an RN and a Radiology Tech. The RN position has been open since October 2018, and the Radiology Tech position since June 2018. The cost of training is also significant, and takes approximately 12-15 months. There is a significant financial impact every time the hospital needs to fill one of these positions.

Duplicating cath lab services also results in fewer procedures being done in one place -- impacting how we retain competencies for this level of skill.

Much like the RN shortage across the nation, a significant shortage exists for surgical technicians. Migration of these specialty skilled team members to QMG is likely, since surgery center employees can avoid the on-call, holiday, and weekend work that is required in a 24/7 hospital setting. It takes a minimum of six months to prepare a surgical tech for this position. Here again, the duplication of service in the QMG proposal creates a hardship, and diminishes overall access to care.

This is the reality of recruiting and retaining individuals for these highly skilled positions in a labor market projected to remain short in supply for the next several years. The positions that will be duplicated, if the QMG CON is granted, will only add to the shortage.

For the sake of assuring overall access to quality health care for the greater Quincy community, I respectfully urge that the CON should be denied.

Thank you for your consideration.

Hello, my name is Tammy Pritchett and I'm the Director of Emergency Services at Blessing Hospital.

I am here to ask the review board to oppose the certificate of need for the Quincy Medical Group outpatient expansion:

If Quincy Medical Group's expansion is approved it will drastically effect the revenue producing departments at Blessing Hospital that are so necessary for the services that my department provides to our community. The service I want to speak to you about today is our mental health program.

This population has to have the necessary resources to maintain a healthy life style and be able to obtain the help they need when in crisis. Blessing Hospital is fortunate enough to still have an inpatient psychiatric unit to transition these patients to but it's often at capacity. Our Emergency Room is the front door for our mental health patients. Because of the capacity issues of inpatient behavioral health, our patients often have an extended stay, at times, of over 24 hours in our department. In 2012, Blessing Hospital built a 3-bed secure area to safely manage the needs of this population. Since that time, the emergency department's mental health volume has increased from an average of 2.5 patients a day to almost 6 patients a day. We are currently examining the need for future construction to allow for a larger secure area to meet the needs of mental health patients. Without the revenue from our outpatient services we will not be able to expand.

This will cause a trickle-down effect where our mental health patients will have to overflow from our 3 bed unit into the main part of the emergency room. This will then begin to affect the number of rooms that are available for all other patients seeking emergency treatment. We will have even less space to accommodate our already crowded emergency department and this will increase all patients' length of stay which will be a huge dissatisfier .

I really want everyone who is involved with making this decision to look at the whole picture and make sure the decision that is made is truly putting our patients and community's best interest at the forefront. Blessing Hospital strives to put the patient first in everything we do and adding an additional surgery center doesn't feel like this is the right thing to do for our community.

Thank you,

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I am John McDowell, Administrative Director of Psychiatric Services at Blessing Hospital, with administrative oversight of three inpatient behavioral health units. I am a Licensed Clinical Social Worker, and have worked in Quincy, with social services and behavioral health for over 15 years.

This CON threatens the continued viability of behavioral health services in Quincy – hits the most profitable areas of health care services – while leaving money losers like behavioral health without offsetting financial support. Blessing would need to find \$25 - \$41 million in cost cuts, and behavioral health will certainly be among the services most at risk.

I must oppose this CON application.

Inpatient Behavioral Health services in Quincy have been in existence for over 50 years. These services are provided to patients of the community and surrounding areas. Behavioral Health services are mission driven, and rely on profitable entities of the organization to be sustainable.

Blessing Hospital recognizes the lifeline these services represent for the patients we serve. Proof of this commitment is the investment by Blessing in two levels of inpatient care, opened in 2015 as part of the Moorman Pavilion expansion. This addition, at a cost of \$75 million, designated half of the finished space to inpatient Behavioral Health units. Blessing made this investment at a time when many hospitals were closing their behavioral health units.

Imagine you or your loved one going through a mental health crisis. You find yourself dealing with an overwhelming situation, and need help. After an assessment, you need inpatient psychiatric services. What if those services aren't available in your community? You now need to go through the time-consuming and expensive process of being transferred to another community, hours away from your home and support system. No one on the treatment team is known to you. Your family and friends cannot easily visit. These issues would only worsen the environmental factors that affect your mental health. Communities that don't have local inpatient psychiatric units send patients to hospitals all across the state.

As I began my career as a community case worker, I worked with the serious mentally ill. Many times in that role, I relied on the ER and psychiatric units to provide care to the patients I served. Most of our patients have needs greater than can be met by our community resources and are admitted when severe behavioral health symptoms exist.

In an effort to minimize the duplication of services in our community, and preserve our ability to provide behavioral health services, I respectfully urge the Review Board to deny this CON application.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

I served. Most of our patients have needs greater than can be met by our community resources and are admitted when severe behavioral health symptoms exist.

In an effort to minimize the duplication of services in our community, and preserve our ability to provide behavioral health services, I respectfully urge the Review Board to deny this CON application.

**Public Comment in Opposition  
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Hello, my name is Lori Wilkey, and I am the Administrative Director of Surgical Services and the Cancer Center at Blessing Hospital. I have worked at Blessing Hospital for 30 years, and have spent my entire career focused on creating the best experience possible for patients, physicians and our employees. I care deeply about the greater Quincy area, and assuring the availability of quality health care to this community.

I oppose the CON request by Quincy Medical Group because it will threaten, not advance, access to care. I wish to direct my remarks to the blatant inaccuracies in the CON application, related specifically to access, availability of services, and capital needs in the existing Surgery Center of Quincy.

First, given my direct responsibilities over surgical services, I can absolutely state that no request has ever been made by the manager of the existing surgery center, QMG, to its owner, Blessing, to permanently expand hours to include evenings and weekends. QMG's suggestion in the CON application is false, and it is deeply disappointing to first learn of this request through the CON filing.

Second, this "expansion of hours" request has never been a focus of discussion at the Medical Consulting Committee, which I attend along with QMG as manager of the Surgery Center. This committee concentrates specifically on operations.

Third, notwithstanding the false impression left in QMG's CON application, there has never been a request to perform an expanded selection of urology cases. If there had, we would have addressed it.

Fourth, the CON states ENT equipment is not available at the Surgery Center, which is false. In fact, capital equipment purchases in FY18 alone were over \$370,000, including equipment for ENT cases.

I work collaboratively with QMG physicians on a daily basis. We sit together on more than 10 committees – committees that include physicians from both Blessing and QMG, and that collaborate on throughput, access, capital needs, and operational improvements. Last year alone, more than 120 hours of such collaboration occurred. All participants have a voice, the right to speak, and the right to vote on decisions that affect operations.

In my experience, from working with QMG physicians for many years, this proposal for another free-standing surgery center does not align with QMG's stated vision of providing a seamless patient experience. In fact, this will cause a divide between the provider, patient, and the surgical team. This structure will cause inefficiencies and a disruption in the delivery of unified care.

Thank you for your time and consideration.

Respectfully submitted,

Lori Wilkey,  
Administrative Director, Surgical Services & Cancer Center  
Blessing Hospital, Quincy IL

**Public Comment in Opposition  
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My name is Elliot H. Kuida, and I am here in opposition to this CON application.

I have been employed by Blessing Health System as the Executive Vice President, Chief Operating Officer, for almost four years. In that role, I have responsibility to ensure that the system's flagship entity, Blessing Hospital, fulfills its mission to serve all patients, regardless of ability to pay, with safe, quality-centered patient care. The Blessing Hospital Medical Staff, comprised of physicians and advanced care providers, come from both Blessing Physician Services and Quincy Medical Group.

During my tenure in Quincy, I have seen the Blessing Hospital Medical Staff work towards a common goal of patient-centric care. They have helped our hospital become the region's referral center, providing a wide array of services to the communities we serve.

Without the Blessing Level 2 trauma service, full-service cardiovascular program – including open heart surgery, and our inpatient and outpatient mental health services, community members would have to travel at least two hours to receive similar medical services.

The addition of duplicative operating rooms, procedure rooms, oncology services and cardiac catheterization labs, as proposed by QMG, would add unnecessary capacity and cost for the patients in our community.

If the state approves this CON application, the QMG center would have a negative impact on Blessing's ability to generate the revenue that it needs to sustain the depth and quality of health care services our community has come to expect from its health system.

In particular, mission-driven services such as mental health and trauma services are particularly at-risk, since these services require financial subsidy from other clinical services provided by the health system. Blessing's long-standing tradition of providing care to the underserved and vulnerable populations in our community will be at-risk if this duplicative surgical-oncology center is allowed to proceed.

With that in mind, I respectfully request that the Health Facilities and Services Review Board deny CON application 18-042.

Thank you for your consideration.

## CON 18-042, Quincy Medical Group Surgery Center in Quincy, Illinois

My name is Julie Shepard and I have been the Director of Care Coordination at Blessing Hospital for eight years. Prior to this position, I worked at the Adams County Health Department for over twenty years. Through both of these work experiences, I have become very passionate about the importance of agencies collaborating together to best serve the residents of our community. I have also seen first-hand the importance of safety net programs to provide much needed services for patients. For these reasons, I must voice my opposition to the CON 18-042, Quincy Medical Group Surgery Center in Quincy, Illinois.

The care coordination program's budget of 1.5 million dollars is one of the many "safety net" programs that are supported by Blessing Hospital Community Benefit funds generated by revenue from various sources including the Surgery Center. Blessing's care coordination program is unique to the community due to the comprehensiveness of services offered. Staff are embedded in the primary care offices which greatly enhances patient engagement. We are able to use funding for identified patient needs from the Blessing Foundation.

The NCQA -certified Care Coordination program has nurses, social services caseworkers, and therapists that have assisted over 9,126 patients in a variety of ways including: connecting them to community resources; coordinating healthcare services; attending and assisting with follow up at medical appointments; assisting with support program applications; providing disease education, therapy, advocacy, medication reconciliation and access to primary and dental care. The program has demonstrated positive outcomes- both in clinical and utilization of services areas.

Care coordination is vitally important in today's complex healthcare environment. Helping patients get to the right care at the right time is crucial to having a successful care delivery model. In order to accomplish this, we must all work together to make healthcare accessible and understandable for our patients. Collaboration is a key factor in our community's ability to continue to grow and expand services to meet the ever-changing healthcare needs. Thank you for your consideration.



**Public Comment in Opposition  
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My name is Chuck Johnson, and I serve as Administrative Coordinator of Behavioral Health Services at Blessing Hospital. I have been a Licensed Clinical Professional Counselor for 43 years.

I thank the Review Board staff for the opportunity to comment on the potential impact on Behavioral Health Services at Blessing Hospital from the proposed Quincy Medical Group CON to establish a cancer/surgical center. I must oppose this CON application, and urge the Review Board to deny it.

Blessing is a community not-for-profit with 41 licensed behavioral beds – consisting of two adult units (with 10 and 16 beds each), and one child and adolescent unit (with 15 beds). The hospital has the only child and adolescent unit within a 100-mile radius and the only adult program within 80 miles in Illinois, Missouri and Iowa. There are no inpatient behavioral health adult or adolescent units in Northeast Missouri, and only one 10-bed adult unit in Southeast Iowa. Behavioral health services are rare and precious resources that should be protected, not sacrificed in order to create a second and duplicative ASC in Quincy.

Over 50% of Blessing Behavioral Health admissions are referred by hospitals, mental health centers, and social service agencies outside of Adams County. While other hospitals in Hannibal, Missouri and Keokuk, Iowa closed their adult units, Blessing Hospital made a commitment to continue its inpatient and outpatient behavioral health programs.

Behavioral health admissions have increased from 1622 in 2010, to 2080 in 2018. Average daily census increased from 25.95 in 2010, to 34.12 in 2018. In other words, the need for this rare and precious resource is increasing.

Behavioral health programs are primarily utilized by an indigent and Medicaid population whose reimbursement cannot support its existence – not without the financial revenue from other hospital departments such as the Cancer and Surgical Centers. Blessing's commitment to indigent care is reflected in a 77% behavioral health public funding, including Medicaid and Medicare. Fifty-eight percent of behavioral health admissions are Medicaid, the Illinois per diem rate is \$433.45.

I urge you to consider the negative impact Quincy Medical Group's CON will have on the continued existence of Blessing Hospital's behavioral health programs.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Dr. Christopher R. Solaro, and I serve as Chief of Medicine for Blessing Health System; Executive Director of Crossriver Quality Health Partners, a newly formed Clinically Integrated Network in our region; and Associate Medical Director of Quincy Area EMS. I have also worked as an Emergency Physician for Blessing for nearly 14 years.

Over the past several weeks, I have come to appreciate the negative impact that a new surgery center will have on patients in our region, and thus felt the need to express my opposition to this project and its associated CON.

In my clinical practice, I care for patients – often in their greatest hour of need – regardless of their ability to pay. These patients derive great benefit from clinical partnerships forged between like-minded physicians from both Blessing Health System and Quincy Medical Group. Our Level 2 Trauma Center, Trauma Orthopedics program, Cardiovascular Program, and hospital-based Cancer Center are good examples of how cooperation in the name of excellent patient care has helped Blessing evolve from a community hospital to a regional referral center. A regional referral center for services that benefit all patients, including the underinsured and underserved.

Opening a second surgery center in Quincy – one that will move surgical, cardiac and oncology services away from our full-service, non-profit health system – is divisive and will erode the ability of our system to generate the revenue it needs to support the “safety-net” services that patients in our region deserve and have come to count on.

I am proud to be employed by a not-for-profit Health System whose mission includes caring for underserved patients in our region, and I have a serious concern that this project will threaten the ability of our Health System to continue to care for this vulnerable population.

I respectfully ask that the Health Facilities and Services Review Board deny CON application 18-042.

Thank you for your consideration.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Elliot H. Kuida, and I am here in opposition to this CON application.

I have been employed by Blessing Health System as the Executive Vice President, Chief Operating Officer, for almost four years. In that role, I have responsibility to ensure that the system's flagship entity, Blessing Hospital, fulfills its mission to serve all patients, regardless of ability to pay, with safe, quality-centered patient care. The Blessing Hospital Medical Staff, comprised of physicians and advanced care providers, come from both Blessing Physician Services and Quincy Medical Group.

During my tenure in Quincy, I have seen the Blessing Hospital Medical Staff work towards a common goal of patient-centric care. They have helped our hospital become the region's referral center, providing a wide array of services to the communities we serve.

Without the Blessing Level 2 trauma service, full-service cardiovascular program – including open heart surgery, and our inpatient and outpatient mental health services, community members would have to travel at least two hours to receive similar medical services.

The addition of duplicative operating rooms, procedure rooms, oncology services and cardiac catheterization labs, as proposed by QMG, would add unnecessary capacity and cost for the patients in our community.

If the state approves this CON application, the QMG center would have a negative impact on Blessing's ability to generate the revenue that it needs to sustain the depth and quality of health care services our community has come to expect from its health system.

In particular, mission-driven services such as mental health and trauma services are particularly at-risk, since these services require financial subsidy from other clinical services provided by the health system. Blessing's long-standing tradition of providing care to the underserved and vulnerable populations in our community will be at-risk if this duplicative surgical-oncology center is allowed to proceed.

With that in mind, I respectfully request that the Health Facilities and Services Review Board deny CON application 18-042.

Thank you for your consideration.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Jim Waterkotte. I served Blessing Hospital for 35 years, retiring as Executive Vice President and Chief Financial Officer of Blessing Corporate Services, the parent entity of Blessing Health System of which Blessing Hospital is an affiliate. I respectfully oppose CON application 18-042.

During my career I learned that duplication of services in healthcare does not always benefit the consumer – as it can in other industries. Due to the investment required to offer certain healthcare services, duplication can harm the consumer by driving up cost.

We learned that lesson in Quincy in the early 1990s, when Blessing and the former St. Mary Hospital looked for ways to reduce the cost of care by eliminating duplication of services. The result of that noble effort is a strong and vibrant Blessing Health System, able to provide cutting edge healthcare procedures and safety net services that are vital to improving the health and quality of life for everyone in our communities.

My experience, and the data gathered by Blessing leaders, tells me the proposed Quincy Medical Group surgery center project will not benefit the residents of this region. In terms of demand, the numbers simply do not support a second outpatient surgery center. The numbers also clearly show that a second surgery center would damage the healthcare system in the Quincy region – by shifting a large volume of care from the non-profit provider to the for-profit provider that does not live by the same mission of delivering services vital to community health and quality of life, regardless of a person's ability to pay. The consumer will suffer in the long run.

Blessing and Quincy Medical Group have worked together before and continue to do so, very successfully. The current outpatient surgery center on the QMG campus, operated by Blessing – and the Cancer Center on the Blessing campus – with services provided by QMG and Blessing – are two very clear examples of how the community benefits when its healthcare providers choose cooperation over competition.

I urge the Health Facilities and Services Review Board to deny CON application 18-042. Thank you for your consideration.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

I am Brad Billings, retired CEO of the Blessing Health System.

During my tenure, Blessing acquired Quincy Medical Group's outpatient surgery center for \$13 million to help it survive. QMG proved itself unable to successfully own the surgery center, and faced a serious financial threat to its continued viability. Blessing stepped up, and found a way to partner with QMG to serve our greater Quincy community. We saved the surgery center, and we generously created a role for QMG as the operational manager.

Yes, we have travelled this road together. We propped them up, and gave QMG the management role. Now this. What a disappointment. I hope the members of the Planning Board will carefully consider that QMG's newfound criticisms of the existing surgery center's operations – criticisms that were first made in its CON – represent QMG's criticisms of themselves. Of their management. Of their role in the existing surgery center. What does that say about the capability of QMG? By that, I mean the managers of QMG, not its doctors and professionals.

Yes, we have other experience together – even beyond the surgery center. Approximately 15 years ago, Blessing Hospital and Quincy Medical Group created a business partnership for a new community cancer center, supported by several million donated dollars. Now this. The CON application implies that radiation, oncology, and chemotherapy are to be housed in the proposed new ASC. That would be a major breach of the expressed intent to our community, and I request this be a required part of the application review process.

This CON application did not provide specific projected Medicaid and charity surgical volumes, nor did it identify specific catheterization procedures. Unless past practices are altered, Blessing Hospital will continue to be the resource facility for these patients. So what will happen is cost-shifting, not cost-reduction. Profits for QMG and its out-of-state partner Unity Point, and unpaid or underpaid care for Blessing. Of course something will have to give, and that will be critical safety net services. At great loss to the greater Quincy community.

I believe in providers working together. There is no written joint venture proposal in their application. Some documented, good-faith negotiations to create a local joint venture – before taking action on this application – could keep us from more costly duplication of available facilities, especially when only marginal future growth is projected.

I respectfully oppose this CON application, and request that it be denied.

Brad Billings  
1-24-19

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

Good Afternoon, my name is Dr. Irshad Siddiqui. I serve as Chief Health Information officer at Blessing Health System. I oppose the opening of a new, for-profit Ambulatory Surgery Center by Quincy Medical Group and Iowa-based Unity Point.

I joined Blessing 4 months ago. My role is to support various initiatives geared towards the quadruple aim of reducing costs, and improving population health, caregiver experience, and patient experience. Blessing's forward-thinking, progressive approach with technology, investment in the community, and commitment to support safety net services were some of the reasons I joined the Blessing Health System.

The CON application is misleading and inaccurate regarding access to medical records between QMG and Blessing.

As a physician executive, I now work closely with both Blessing and QMG physicians, on topics concerning the sharing of data with electronic health records. QMG has represented to the Review Board that "QMG Physicians do not have immediate access to the complete medical record of their patients when performing services at Quincy's existing ASTC, and, as a result, QMG physicians are required to navigate two electronic medical record systems." Connecting various data sources for the benefit of the patient is of a high interest to me. My research indicates that Blessing has offered on several occasions, starting in December 2015, to deploy an interoperability solution (dbMotion) to connect the two electronic medical record systems. QMG's Iowa-based 40% owner, UnityPoint, manages QMG's electronic medical records, and has refused to deploy the necessary technology that will connect the two systems.

UnityPoint has cited supposed "performance issues" reported by Epic with the dbMotion agent, as well as extra administrative effort that will be needed to maintain such an integration. Yet there are several examples of Epic users installing dbMotion agent successfully across the country. Among them: Baylor Scott and White in Texas, UT Southwestern in Texas, UPMC in Pittsburgh, and Community Memorial Health System in Indiana. After 3 years of deliberations, QMG has rejected dbMotion and proposed connecting to a health data exchange framework called Carequality as an alternate strategy in December of 2018. This is now under active consideration by Blessing.

Suffice it to say, interconnection is indeed possible, if only Iowa-based UnityPoint would allow it. Whatever shortcomings may exist regarding access to medical records between Blessing and QMG, they are due to QMG's partner refusing to collaborate. Blessing has tried to bridge the gap, and continues to do so. I sincerely believe this purported technology issue is a self-made one, used to help justify an effort to skim the most profitable services away from Blessing and toward an out-of-state, for-profit entity.

Access the critical safety net services should not be reduced to reward willful non-collaboration by an out-of-state entity motivated by profit.

I urge denial of this CON application. Thank you.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

I am Justin Hale, Director of Managed Care and Decision Support, Blessing Corporate Services. I oppose this CON.

Blessing projects a negative impact of \$25 - \$41M annually – yes \$25- \$41M per year in revenue loss to the hospital – if this CON for a second ASC in Quincy is approved. This in turn would have severe negative impacts every year on community support and safety net services. It would mean that critical safety net services would no longer be locally available.

Blessing presently supplies over \$62M in community benefit annually. This includes our covering financial shortfalls for services provided to our Medicare and Medicaid populations, as well as our support to local community agencies.

Blessing's annual subsidy to critical Behavioral Health Services is \$6,000,000. If current revenues from the ASC, Cath Lab, GI and Outpatient Surgery are redirected away from the hospital, Blessing would inevitably have to downsize and even eliminate the provision of behavioral health and other critical safety net services to the community. Loss of these services would have painful and permanent impacts on our community.

In 2015 The Blessing Health System began a journey we named "Hardwiring Blessing 2020," to reduce our costs in the Health System by the year 2020. Our goal has been to pass those savings onto our patients in the form of lower charges. We understand and appreciate that employers, employees and patients covered under Medicare and Medicaid are struggling to afford quality healthcare. As of January 1, 2019, we have rolled out a 30% price decrease to our ASC charges. We also plan to move the ASC from a hospital-based service to a true outpatient center in order to be even more cost-effective for our consumers. Duplicating our existing surgery center with an ASC less than 3 miles away, with the resulting reduction in patient volume, will make these and future price reductions impossible.

The proposed new ASC will generate many duplications of healthcare costs. One in particular, of course, is duplication of staffing. Both Blessing and QMG will require minimum staffing levels. We conservatively estimate the duplicated labor costs to be over \$1.8M per year. Beyond the added cost, this duplication will add pressures to the already-strained resource pool of Nurses, Surgery Techs, and other professional fields.

In its CON, Quincy Medical Group proposes the creation of a for-profit center. Blessing is concerned that all risky, non-financially viable surgeries would be left with Blessing Hospital, while the profitable commercial procedures will be performed by QMG surgeons at this for-profit AST. "Cherry picking," or "skimming the cream," for corporate profit and not better health care. Moreover, an Iowa-based company called "Unity Point" will be a 40% owner. So, 40% of any profits will leave our community and State. As I have stated previously, Blessing's goal is keep healthcare local, and to continue supporting our community.

On a final note, beyond the services outlined in the CON itself, QMG announced in an Oct. 25, 2018 press release that it intends to offer Radiation Oncology Services in its proposed Surgery and Cancer Center. This would redirect another \$9,000,000-plus annually from our non-profit hospital to this for-profit venture – further squeezing out our ability to fund critical safety net services.

Sacrificing local safety net services for the corporate profits of QMG and its out-of-state partner Unity Point, so they can "cherry pick" only the most lucrative services, is wrong.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Patrick Gerveler, and I serve as Executive Vice President and Chief Financial Officer for the Blessing Health System. I have been with the Health System for nearly 27 years, and also have served as President of the Blessing Foundation for the last 12 years. Ours is a not-for-profit 501(C)(3) organization, and is committed to delivering the highest quality patient care at the most cost effective level possible. I oppose this CON application.

After QMG's earlier failure as an ASC owner, I was one of the executives involved in acquiring the Ambulatory Surgery Center from QMG in 2006 for \$13 million. I have carefully reviewed the pending CON application, and believe its finances are shaky, which reminds me of the earlier financial failure of QMG with its first ASC. QMG also sold a 45% interest in their company to the Iowa Health System in 2012 for \$18,743,000 for capital infusion.

The CON application shows that, at the end of the reported period 2017, QMG had only 4 days cash on hand. QMG reported debt of over \$28 million and is planning on borrowing an additional \$17 million. QMG also plans to relocate its Cancer Center and purchase and construct a facility for Radiation Therapy which will cost millions more, though QMG has not disclosed how they intend to finance these additional capital expenditures.

The CON talks about QMG financing this project through tapping the pay of its 115 physicians by an average of \$178,000. This would come from the bonus pool, otherwise called "Discretionary Payments to Members." This is risky. If QMG uses these discretionary bonus payments as described, the greater Quincy community would risk the exodus of physicians.

QMG incorrectly stated in its CON application that its new ASC would produce no significant impact to area providers. In fact, almost all the volumes in QMG's projections would be from Blessing Hospital's ASC, and would result in revenue declines to Blessing between \$25 to \$41 million. If this happens, Blessing would be forced to cut staff and services, including critical safety net services. Blessing will be forced to reduce over 400 positions in the health system. With a workforce of nearly 3,400, this would mean a reduction in workforce of almost 12% of our employees. To say the least, this new ASC would be devastating to the financial health of our communities' not-for-profit health system.

QMG's new surgery center will be 40% owned by the Iowa Health System, doing business as Unitypoint Health. Unitypoint is headquartered in Des Moines, Iowa. In short, Quincy healthcare resources are at risk of being diverted in the form of profit distributions to an out-of-state corporation.

In 2016 Blessing implemented a strategy to review our cost structures, and find savings that would be returned to our community in the form of pricing reductions. We have implemented 30% price reductions since then, using such creative approaches as increasing our commercial provider discounts. *There will also be another average 40% discount applied based on commercial contracts. Therefore QMG's*  
We have also reduced our laboratory prices, with plans for additional rate reductions for Lab and imaging services including Cat Scans, MRI's and basic imaging. *Claim of 5% savings is void.*

We developed a clinically integrated network called Crossriver Quality Health Partners, with an ultimate goal of improving patient care and reducing healthcare costs. QMG was invited to participate, but they declined.

If granted, this CON will local cost jobs and safety net services, unnecessarily duplicate services to benefit out-of-state corporate profits, and risk yet another ownership failure by QMG. I respectfully ask that the application be denied.

*PKG*



**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

Good afternoon, I am Dr. Mary Frances Barthel, the Chief Quality and Safety Officer at Blessing Hospital. I have been a practicing physician at Blessing for 8 years. I care greatly about this community.

I am deeply concerned over the negative impact that an additional elective surgery center would impose on our small city in terms of the availability of quality healthcare in this region. I must oppose this CON application.

Blessing Hospital is a not-for-profit *regional* hospital which provides a full spectrum of healthcare services, fulfilling the mission to improve the health of this region. Revenue from the elective surgical and procedural cases performed at Blessing helps support many crucial safety net services. Consider:

- Blessing is the only inpatient psychiatric facility in the area providing mental health services to children, adolescents, adults, and the elderly. These patients will have to travel hundreds of miles away from their families and support systems to receive care elsewhere if Blessing becomes unable to subsidize the programs.
- Blessing's trauma program requires the hospital's financial support to staff a trauma surgeon and an orthopedic surgeon, as well as all of the OR staff to be available for emergency cases so that these severely injured patients can receive care close to home.
- The Emergency Department must be staffed to provide care for all patients regardless of severity of illness or ability to pay, 24/7.
- Cancer Care is available even to patients without full insurance coverage, in contrast to billing policies at a for-profit oncology practice as proposed in the CON.
- Other uninsured patients received \$6,000,000 in charity care from Blessing last year.
- Medical Education, including training of new physicians, nurses, respiratory therapists, and radiology technicians, depend on the hospital's financial support.

*Creating a redundant surgery center will risk funding for these safety net services.*

In addition, this second surgery center will also take trained and skilled staff away from Blessing, leaving the hospital less prepared to deliver quality care to the remaining, more complex, and emergent patients in the main hospital operating room.

I respectfully ask that the Health Facilities and Services Review Board deny CON application 18-042. Thank you for your consideration.

*Mary Frances Barthel MD*

My name is Dr. Joseph V. Meyer and I am speaking AGAINST the CON of another surgery center in Quincy.

I am currently the Vice President of Quincy Anesthesia Associates, a private company, which has provided anesthesia services to Adams County for over four decades. My company provides all anesthesia coverage for Blessing Hospital and the Surgery Center of Quincy.

I would like to specifically address the issues in the CON that are directed at anesthesia.

I quote directly from the CON:

**“Access.** Operational practice at the existing ASTC drastically limits available surgery hours as the anesthesiology group retained by the owner of the ASTC usually does not allow surgical cases to begin after 3 p.m.”

QMG physicians have held the administrative rolls of running the existing surgery center since its beginning and continue to manage it today. Neither QMG management nor any of its physician administrators has EVER approached us for extended evening and/or weekend hours at the Surgery Center. QMG’s desire for additional surgical time has never been discussed with anyone in my department. The first time my anesthesia group heard of their desire for additional surgical time was in their CON.

If anyone from QMG had approached me regarding their desire for extended hours I would have done two things:

First, I would remind QMG that the Surgery Center currently runs at a 47% efficiency rate, meaning that the current operating rooms sit empty over ½ of the time. Extending hours and adding weekends would only make the current inefficiencies greater. Operating rooms that sit empty are expensive and inherently drive up health care costs.

Secondly, I would have welcomed an open dialogue regarding their desire for additional anesthesia coverage in an effort to improve the efficiency of the Surgery Center and enhance patient and physician satisfaction.

The more efficiently the operating rooms run, the lower cost of providing anesthesia care. There is a balance that needs to be achieved in order to provide flexibility for patients and surgeons while maintaining cost effective operating rooms.

Since the OR is staffed using a similar model to ours, this would drive up personnel cost of staffing nurses, technicians, and support staff in addition to anesthesia.

Currently surgical utilization of existing operating rooms does NOT demonstrate the need for more operating rooms and expanding at this time will lead to increase inefficiencies and costs.

A handwritten signature in black ink, appearing to read "J. Meyer". The signature is fluid and cursive, with a large loop at the end.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Regenia Stull. I am the Associate Chief Nursing Officer of Blessing Hospital. QMG's project should be denied because it is an unnecessary duplication of health care facilities.

The CON Board's regulations identify unnecessary duplication by the impact a proposed new facility has on the utilization of existing facilities. By this measure, QMG's proposed project is unequivocally an unnecessary duplication of facilities, and creates a severe maldistribution of services.

QMG intends to redirect nearly all of the outpatient surgery volume from Blessing's hospital and ASTC. This will dramatically reduce the utilization of the two existing facilities in direct contravention of State regulations. In order to prove that a new project will not create unnecessary duplication, the Board's regulations provide that an applicant must document that its project will not lower the utilization of other area facilities. Clearly the applicant cannot do so.

Rather than prove its proposed facility will not be unnecessary duplication, QMG has proven just the opposite. QMG's permit application shows that it *will dramatically lower* the utilization of existing facilities.

To justify the 7 non-cardiac surgical rooms in QMG's proposed facility, QMG says it will redirect over 11,600 cases from Blessing's hospital and ASTC. This is almost a thousand cases *more than* the 10,700 total outpatient surgeries performed at Blessing Hospital and the existing ASTC combined in 2017. This would literally reduce the outpatient surgeries at the two existing facilities to zero.

QMG absurdly argues that some kind of unrealistic "growth" will make up for all of the lost volume at both the hospital and ASTC over the next four years. QMG does not explain the nature of the growth that will supposedly cause surgical volume to *double* in the next four years. There has been virtually no population growth in the Quincy area and there is no other rational explanation for QMG's claim.

Because all of QMG's proposed patients are all being treated in existing facilities, this new facility is by definition – and pursuant to CON Board rules – unnecessary and a duplication of existing services. It should be denied.

**Public Comment in Opposition  
To Proposed Quincy Medical Group Surgery Center**

My name is Jill Stroot, and I serve Blessing Hospital as Director of Patient Access. I oppose this CON filing, and will highlight deficiencies in the application.

QMG argues that a new surgery center is needed to improve access to the community, but that is simply not the case. This project does not provide services closer to patient homes, because the proposed location is less than three miles from the current facility, managed by QMG, where the applicants' physicians now do their outpatient surgeries. These are all scheduled procedures, not emergency ones – so moving them three miles away does nothing to improve access.

QMG states that 80% of the surgeries being done today in the existing surgery center are performed by QMG physicians. If this proposed application is approved, it will in essence gut the current ASTC located in Quincy. Shifting surgeries from one location to another will greatly impair the efficiency of the current center. The City of Quincy could end up with two ASTCs, with neither operating efficiently.

Since 80% of the surgeries are performed by QMG physicians in the current ASTC that is managed by QMG, the proposed new ASTC will not improve the care or increase patient "choice." It will simply change the location where the procedures are performed, and send 40% of patient revenues to QMG's out-of-state partner Unity Point.

QMG claims that, as an ACO, it has incentives to reduce costs and deliver high quality of care at affordable prices. Blessing is also an ACO with the same incentives, so that is not a differentiating factor. Moreover, high utilization is a significant factor in cost savings and ACO participation.

Blessing is under the same incentives to deliver cost savings, while having the mission to serve all. The difference with Blessing is that the bottom line goes back to the community in the form of mental health, trauma and other safety net services. Blessing has reduced charges in the ASTC 30% effective January 1 in keeping with its four-year cost-reduction plan commenced in 2015.

Adding another ASTC in the Quincy community will cost more to patients than if QMG/Unity Point and Blessing could collaborate in the current location with available space.

The majority of the problems QMG claims the new facility will solve are management and operational issues. But QMG manages the current ASTC, and a QMG physician serves as its medical director. QMG schedules the procedures, and its Advisory Committee is responsible for putting forth recommended capital requests to Blessing, as well as recommendations for new services and upgraded equipment. There is no evidence of Blessing rejecting any such recommendation. All issues can be resolved in the existing surgery center, if QMG were willing. For example, Blessing had already offered an improved medical records system at the current ASTC, but QMG rejected it at the direction of Unity Point, which did not want to bear QMG's share of the cost of the system.

For these and other reasons, this CON application should be denied.

SUBMITTED BY:  
DR WARREN  
HAGEN

## Abstract

*Health Care Manage Rev.* 2008 Jul-Sep;33(3):192-202. doi: 10.1097/01.HMR.0000324903.19272.0c.

# Hospital service duplication: evidence on the medical arms race.

Authors: Trinh HQ1, Begun JW, Luke RD.

## BACKGROUND:

Hospital administrators face challenging decisions about whether to maintain, cut, or add services in response to changes in consumer demand or managed-care pressures. The challenge is heightened for services that are also offered by other hospitals in the local community.

## PURPOSES:

This study provides evidence on the financial effects of providing services that are also provided by other hospitals in the same county. Its purpose is to help guide administrators and policy makers in assessing the wisdom of service duplication at the local level.

## METHODOLOGY/APPROACH:

The unit of analysis is the individual hospital. The study reports data from the 2,204 general acute care hospitals located in counties with more than one hospital. A longitudinal path model is constructed for the years 1998, 2000, and 2002, with environmental and organizational factors from 1998 affecting service duplication in 2000, which in turn affects financial performance in 2002. Maximum likelihood estimation in linear structural relations is used to evaluate the path model and its coefficients.

## FINDINGS:

Hospital competition is associated with higher levels of duplication of inpatient, ancillary, and high-tech services. Duplication of inpatient services is associated with higher costs but also with higher operating margin. Duplication of ancillary services is associated with higher return on assets. Duplicated high-tech services are financial losers for hospitals. Higher levels of duplicated high-tech services are associated with higher cost per day, higher cost per discharge, and lower operating margin.

## PRACTICE IMPLICATIONS:

From the standpoint of financial impact on the hospital, administrators should reexamine the costs and benefits of offering high-tech services that are offered by other providers in the local area. The higher costs may not be offset by revenues. Duplicated ancillary and inpatient services, on the other hand, produce some positive financial returns.

PMID: 18580299 DOI: 10.1097/01.HMR.0000324903.19272.0c

[Indexed for MEDLINE]

**Inpatient services** are the following 21 services: general adult medical and surgical, general pediatric medical and surgical, obstetric, other acute care, medical–surgical intensive care, neonatal intensive care, neonatal intermediate care, pediatric intensive care, burn care, other special care, rehabilitation care, alcohol–drug abuse hospital care, psychiatric care, skilled nursing care, intermediate care, other long-term care, other care, birthing room care, psychiatric partial hospitalization program, other hospital intensive care, and acute hospital long-term care.

**Ancillary services** are 31 in quantity: alcohol–drug abuse outpatient care, arthritis services, breast cancer screening–mammogram service, dental services, emergency room service, freestanding outpatient service, geriatric service, home health services, hospice, hospital-based outpatient service, occupational health service, **outpatient surgery**, physical rehabilitation outpatient service, primary care service, psychiatric child–adolescent service, psychiatric consultant–liaison service, psychiatric education service, psychiatric emergency service, psychiatric geriatric services, psychiatric outpatient service, sport medicine, urgent care service, chiropractic services, complementary medicine services, pain management program, ambulance services, enabling service, palliative care program, hemodialysis services, sleep center, and tobacco treatment service.

There are 15 **high-tech services**: **angioplasty**, **cardiac catheterization laboratory** service, certified trauma service, extracorporeal shock wave lithotripter service, HIV–AIDS service, open-heart surgery, **radiation therapy**, computed tomography, diagnostic radioisotope service, magnetic resonance imaging, positron emission tomography, single photon emission computerized tomography, ultrasound, reproductive health, and transplant service

January 23, 2019

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities and Services Review Board  
525 West Jefferson, 2<sup>nd</sup> Floor  
Springfield, IL 62761

**Re: Opposition to CON 18-042, Quincy Medical Group Surgery Center in Quincy, Illinois**

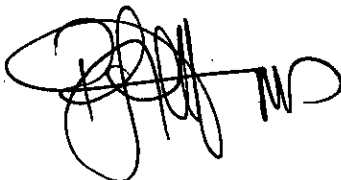
Dear Ms. Avery:

My name is Ronald St. Hill, MD and I am a board certified child and adolescent and general psychiatrist at the Blessing Health System. I am here today in opposition to CON 18-042.

As a full time practicing psychiatrist, myself and my colleagues provide services to members of this and surrounding communities experiencing mental health conditions and crises, 7 days a week, 24 hours a day regardless of their ability to pay. Health Insurance reimbursement is insufficient to cover the cost of providing these services, and Blessing as a service to this community invests millions of dollars annually to provide these services, not only to Quincy, but also to our entire region. We also participate in training medical students, family practice resident doctors and nurse practitioner students, helping create health care providers of the future. <sup>behavioral</sup>

Over six patients a day experience acute mental health crises and come to our Emergency Department. My colleagues and I, care for the children, adults and the elderly, that are our community members and family members without them having to travel 100 – 200 miles away. As our state and nation grapple with opioid addiction, various mental health conditions and rising rates of suicide, we recognize that mental and behavioral health crises can affect anyone at any time. These services would not be possible without the financial support from Blessing Health System out of the revenue generated from ambulatory surgery services. Quincy Medical Group and Unity Point fail to see the financial impact of duplicating services on Blessings' ability to provide costly, but greatly needed mental and behavioral health services for our community. It is for these reasons I respectfully ask the Health Facilities and Services Review Board to deny the CON application 18-042.

Thank you for your consideration,





Ronald St. Hill, M.D.  
Outpatient Behavioral Health  
Blessing Health System